

# New Mexico State Income Tax Information

<b>State Abbreviation:</b>	NM
<b>State Tax Withholding State Code:</b>	35
<b>Acceptable Exemption Form:</b>	None
<b>Basis For Withholding:</b>	Federal Exemptions
<b>Acceptable Exemption Data:</b>	None
<b>TSP Deferred:</b>	Yes
<b>Special Coding:</b>	None
<b>Additional Information:</b>	A state tax certificate is not required since Federal exemptions are used in the computation of the state formula.

## Withholding Formula ►(Effective Pay Period 10, 2005)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) ►(includes flexible spending account - health care and dependent care deductions)◄ from the amount computed in step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages times 26 to obtain the gross annual wages.
5. Determine the exemption allowance by applying the following guideline and subtract this amount from the gross annual wages to compute the taxable income.  

$$\text{Exemption Allowance} = \text{►\$3,250◄} \times \text{Number of Exemptions}$$
6. Apply the taxable income computed in step 5 to the following table to determine the annual New Mexico tax withholding.

### Tax Withholding Table Single or Head of Household

If the Amount of Taxable Income Is:		The Amount of New Mexico Tax Withholding Should Be:			
Over:	But Not Over:			Of Excess Over:	
\$ ►0	\$ 1,750	\$ 0	plus	0.0%	\$ 0
1,750	7,250	0	plus	1.7%	1,750
7,250	12,750	93.50	plus	3.2%	7,250
12,750	17,750	269.50	plus	4.7%	12,750
17,750	and over	504.50	plus	6.0%	17,750◄

**Married**

**If the Amount of  
Taxable Income Is:**

<b>Over:</b>	<b>But Not Over:</b>
\$ 0	\$ 6,750
6,750	14,750
14,750	22,750
22,750	30,750
30,750	and over

**The Amount of New Mexico Tax  
Withholding Should Be:**

				<b>Of Excess Over:</b>
\$ 0.00	plus	0%	\$ 0	
0.00	plus	1.7%	6,750	
136.00	plus	3.2%	14,750	
392.00	plus	4.7%	22,750	
768.00	plus	6.0%	30,750	

7. Divide the annual New Mexico tax withholding by 26 to obtain the biweekly New Mexico tax withholding.